NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88-198(R) Texas Paid-Up (2/93)

OIL. GAS AND MINERAL LEASE

	, -	(PAID-UP LE	EASE)	_		
THIS AGREEMENT made this 22 nd		day o	January		. 20 09	, between
Robert Perez and wife, Elizabeth Perez						
						
		1.	, Lessor (whether	one or more) whose address is		
836 Thomas Crossing Drive, Burleson, TX	<u>76028</u>	**				
BO B 450 D 4 7 70004	and	Devon Ene	ergy Produc	tion Company, L.P.	, Lessee; whose ac	ddress is
P.O. Box 450, Decatur, Texas 76234				; WITNESSETH:		
Lessor in consideration of Ten or more Dollars, in har exclusively unto Lessee the lands subject hereto for the purpose of inva and their respective constituent elements) and all other minerals, (where surveys, injecting gas, water and other fluids and air into subsurface building roads, tanks, power stations, telephone lines and other stream to County, 7. County, 7.	estigating, ther or not strata, est ructures th	, exploring, prospect t similar to those me tablishing and utilize	ing, drilling and m intioned) and the e ing facilities for the save, take care of	nining for and producing oil, gas exclusive right to conduct explorate disposition of salt water, lay	(including all gases, liquidation, geologic and geophing pipelines, housing its	d hydrocarbons ysical tests and employees and
0.306 acres of land, more or less, situated 11, Block 16, Thomas Crossing, an additithereof recorded in Cabinet A, Slide 4473 SEE EXHIBIT "A" ATTACHED HERET	on to t & 447	the City of Fo 74, Plat Recor	ort Worth, 1 ds, Tarrant	Farrant County, Texa County, Texas.	as according to the	ne plat
This lease also covers and includes all land owned or claimed by Les surveys, although not included within the boundaries of the land partie execute any lease amendment requested by Lessee for a more concurred to purpose of calculating any payments hereinafter provided for, said Land	icularly de implete or	escribed above. The accurate descriptio	land covered by n of said Land and	this lease shall be hereinafter re	eferred to as said Land. L words of present lease and	essor agrees to grant. For the
Lessee requests a lease amendment and same is filed of record. 2. Subject to the other provisions herein contained and withou lease shall be for a term of five (5) years from this date (called "primar land with which said Land is pooled hereunder. The word "operations drilling, testing, completing, reworking, recompleting, deepening, plug other actions conducted on said lands associated with or related thereto 3. The royalties to be paid by Lessee are: (a) on oil delivered at oil produced and saved from said Land, Lessee may from time to time date of purchase or Lessee may sell any royalty oil in its possession and the cost of treating the oil to render it marketable pipeline oil or, if therall gases, processed liquid hydrocarbons associated therewith and any used off the premises or for the extraction of gasoline or other producexced the amount received by Lessee for such gas computed at the me from such sale, it being understood that Lessor's interest shall bear on at the wells; (c) on all other minerals mined and marketed, one-tenth e participating royalty interests, in said Land, whether or not owned by set forth herein. Lessee shall have free use of oil, gas and water from injection and secondary recovery operations, and the royalty on oil and 4. If at the expiration of the primary term or at any time or time or land or leases pooled therewith but oil or gas is not being sold or (unless released by the Lessee), and it shall nevertheless be considered Lessee shall pay or tender as shut-in royalty to Lessor, or tender for de	of reference of the week of the wells purchase a day have been reisno away of the reisno away of the respect therefrough of the e-eighth of the said Lassor and Larl gas shall less after the used and that oil an e-posit to the therefrough of the said Lassor and Larl gas shall less after the used and that oil an e-posit to the said to the said to the total said to the said to t	and as long thereafter here in half included or repairing of a well or into the pipeline any royalty oil in its sor the price receive variable pipeline. Les pective constituent e coin, the market value well, and provided if the cost of all comind or value at the w d whether or not effend, except water fro be computed after deprimary term here it his lease is not the addor gas is being prone credit of Lessor in	ment, prosecution as oil, gas, or othe but not be limite ell in search for or to which the wells possession, payin, d by the Lessee fo sor's interest shall lements, casinghe e at the well of or further on gas sol pression, treating, ell or mine, at Les ectively pooled by m Lessor's wells, educting any so us n, there is a well o n being maintaine induced from said L the Pay d	or cessation of operations and/or minerals is produced from or d to any or the following; prepared in an endeavor to obtain produces may be connected, one-eighthing the market price therefor previous such oil computed at the well; d bear one-eighth of the cost of a ad gas or other gaseous substance-eighth of the gas so sold or d at the wells the royalty shall be dehydrating and transporting or sesse's election. Any royalty into Lessee pursuant to the provision in all operations which Lessee ed. In wells capable of producing oil d by production, operations or and within the meaning of paralirectly to Lessor at additional control of the control	or production at any time operations are conducted or ring drillsite location and/stion of oil, gas or other miles of the proceeds received failing for the field where p Lessor's interest shall be all trucking charges; (b) on ce, produced from said Laused provided the market e one-eighth of the net prosts incurred in marketing crests, including, without I ons hereof, shall be paid from any conduct hereunder, it or gas in paying quantitie otherwise, this lease shall igraph 2 herein. However thress above	hereunder, this on said Land or or access road, inerals and any from the sale of roduced on the ar one-eighth of gas, including and and sold or value shall not occeds received the gas so sold imitation, non-mom the royalty including water es on said Land not terminate, r, in this event,
hereunder regardless of changes in ownership of said land or shut-in reprovided however, in the event said well is located on a unit comprised each acre of said Land included in such unit on which said shut-in well fail or refuse to accept such payment, Lessee shall re-tender such payment or receive such payment or tenders. Such shut-in royalty payment she completion of such well, or (c) the date on which oil or gas ceases to be (e) the date the lease ceases to be otherwise maintained, whichever be manner and upon like payments or tenders on or before the next ensuperiods of one (1) year each until such time as this lease is maintained royalty payment shall not be required or, if a shut-in royalty payment in payment regardless of how many times actual production may be contender any such sum as shut-in royalty shall render Lessee liable for the or market the minerals capable of being produced from said wells, but ordinary lease facilities of flowline, separator, and lease tank, and shall tenders royalty or shut-in royalty as hereinabove provided, two (2) or provided, pay or tender such royalty or shut-in royalty, in the manner as as Lessee may elect. 5. (a) Lessee shall have the right and power in its discretion covered by this lease or with other land, lease or leases in the vicinity to one or more of said substances, and may be exercised at any time and drilled. Pooling in one or more instances shall not exhaust the rights on not conform in size or area with units as to any other stratum or strata, acres each in area plus a tolerance of 10% thereof, and units pooled for governmental authority having jurisdiction prescribe or permit the crea or permitted by governmental regulations. The pooling for gas hereune as may be produced with the unitized gas, and the royalty interest pa execute in writing an instrument or instruments identifying and describ acreage is located. Such pooled unit shall become effective on the date such instrument or instrum any time and from time to time after the original forming there	royalty pay d of all or it is located tent within all be due e sold or us the later d using annivit d by produ is tendered amenced a e amount of in the exert not be rece to pool or thereof. Til from time of Lessee t and oil un gas hereu attion of un der by Les yable to I bing the po date provy ments are s	yments) a sum deter a portion of said Lar a portion of said Lar b. If such bank (or an thirty (30) days foll on or before the exteed, or (d) the date thate. It is understook dersary of the due duction or operations, it, no additional shuttand shuttin during sidue but it shall not corcise of such diligen quired to settle labouties are, or claim to diffied, either jointly to combine, as to any the above right and pet to time during or to pool said Land or nits need not conformater shall not substants larger than those see shall also pool a Lessor thereou shall ooled acreage and fided for in said insteed filed for record.	mined by multiply and and other land a typ successor bank), owing receipt from piration of ninety his lease is included and agreed that in a ter for said payme. However, if acturing payment will be uch one (1) year properate to terminate, Lessee shall not trouble or to many be, entitled to reroo such parties or some or more strate ower to pool and the primary to portions thereof in a sto area with general many troubles of the primary to portions thereof in a sto area with general many thanks of the primary to portions thereof in a sto area with general many thanks of the primary to portions thereof in the primary to portion thereof in a sto area with general many thanks.	or leases a sum determined by my should fail, liquidate, or be such a best of a proper recordable (90) days after (a) the expiration of the control of the c	for each acre then covered the covered and tiplying one dollar (\$1.6 ceeded by another bank or instrument naming another on of the primary term, or been previously completed to be due during the primary of the due during the primary on the applicable 90 day periversary of the due date foor tender or to properly of the reasonable diligence to 15 facilities, other than we see to Lessee. If at any time of any other method of privillar with their respective owners any portion of said Land was been drilled, or while appooling as to any stratum creender shall not substantiance of 10% thereof, proving the strategies of the county in whits struments make no such por decreased, at the election of the struments make no such por decreased, at the election of the struments make no such por decreased, at the election	d by this lease, 20) per acre for for any reason refor for any reason rows as agent (b) the date of d and shut-in or y term. In like for successive eriod, a shut-in a said tendered refinely pay or produce, utilize all facilities and Lessee pays or payment herein erships thereof, with other land ninerals, or any a well is being nor strata need ally exceed 80 ded that should nose prescribed ituent elements d, Lessee shall ich said pooled provision, then on Lessee, at

any time and rom time to time after the original forming theter by fining an appropriate instrument of record in the County in which said profes acteand. Any such posted and established in accordance with the terms hereof shall constitute a valid and effective pooling of the interests of Lessee hereunder regardless of the existence of other mineral, non-executive mineral, royalty, non-participating royalty, overriding royalty or leasehold interests in lands within the boundary of any pooled unit which are not effectively pooled therewith. Lessee shall be under no duty to obtain an effective pooling of such other outstanding interests in lands within the boundary of any pooled unit. Operations on or production of oil and/or gas from any part of the pooled unit which includes all or a portion of said Land, regardless of whether such operations were commenced or such production was secured before or after the date of

this lease or the date of the instrument designating the pooled unit, shall be considered for all purposes, except the payment of toyalties, as operations on or production of oil or gas from said Land whether or not the well or wells be located on said Land. The production from an oil well will be considered production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit; and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. In lieu of royalties above specified, Lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of said Land placed in the unit bears to the total acreage so pooled in the unit involved, subject to the rights of Lessee to reduce proportionately Lessor's royalty as hereinafter provided. Oil or gas produced from any

such unit and used in the operations thereof or thereon shall be excluded in calculating said royalty. Lessee may vacate any unit formed by it hereunder by instrument in writing filed for record in said county at any time when there is no unitized substance being produced from such unit. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 5 with consequent allocation of production as herein provided. As used in this paragraph 5, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of said Land.

(b) Lessee at any time and from time to time during the life of this lease shall have the right and power as to all or any part or formation or strata of the land herein leased, without

- Lessor's joinder, to unitize the same with other lands, formations, strata or leases covering lands in the same general area as the leased premises by combining the leasehold estate and Lessor's royalty estate created by this lease with any other lease or leases, royalty or mineral estate in and under any other tract or tracts of land, regardless of the ownership thereof, so as to create by the combination of such interests or any of them one or more unitized areas of such size and shape as determined by Lessee to be developed and operated by secondary or tertiary methods as though such lands and interest were all included within the terms hereof and constituted a single oil, gas and mineral lease. All such production from such unitized area shall be divided or though such lands and interest were all included within the terms hereof and constituted a single oil, gas and mineral lease. All such production from such unitized area shall be divided or allocated among the various tracts comprising such unitized area based on a formula derived from parameters utilized by Lessee and incorporated in a unitization agreement approved by the Railroad Commission of Texas. The unitization agreement shall include other provisions designed to allow for operations of the unitized area in an orderly manner and Lessor hereby agrees that all provisions contained therein shall be binding on Lessor provided such unitization agreement is approved by the Railroad Commission of Texas or other Governmental Agencies having jurisdiction over such matters. Operations on or production of oil and/or gas from any part of the unitized area which includes all or a portion of said Land, regardless of whether such operations were commenced or such production was secured before or after the date of this lease or the date of the instrument designating the unitized area, shall be considered for all purposes, except the payment of royalties, as operations on or production of oil or gas from said Land whether or not the well or wells be located on said Land. Royalties payable from the unitized area shall be computed on the basis of the production allocated to the portion of the above described land included within such unitized area after excluding therefrom any oil or gas used in the operations thereon.
- 6. Lessee may at any time or times execute and deliver to Lessor or to the depository above named or place of record, a release or releases covering any portion of said Land and/or portions of subsurface strata or stratum and thereby surrender this lease as to such portion and/or portion of subsurface strata or stratum and be relieved of all obligations as to the acreage, strata or stratum surrendered. Lessee shall retain rights of ingress and egress across and through any released portion and/or strata of the lease in order to have necessary access to that portion and/or strata of the lease of premises which remains in force and on which Lessee continues to conduct operations.
- 7. If, at any time or times after the expiration of the primary term, operations or production of oil, gas or other minerals on said Land or on acreage pooled therewith should cease from any cause and this lease is not then being otherwise maintained, this lease shall not terminate if Lessee commences or resumes operations within ninety (90) days thereafter and continues such operations or commences any other operations with no cessation of operations of more than ninety (90) consecutive days, and if such operation or other operations result in the production of oil, gas or other minerals, this lease shall remain in full force and effect for so long thereafter as oil, gas or other mineral is produced from said Land or acreage pooled therewith. It is understood and agreed that if, during the primary term hereof, all operations or production ceases on said Land or lease spooled therewith, this lease shall nevertheless remain in full force and effect during the paid-up primary term hereof. If, at the expiration of the primary term, oil, gas or other minerals is not being produced on said Land or on acreage pooled therewith but operations or production ceased within 90 days of the expiration of the primary term, this lease shall not terminate if Lessee commences or resumes operations within ninety (90) days of said cessation of production or operations. If after the expiration of the primary term, Lessee completes either (a) an oil well on land other than said Land and which other land and all or a portion of said Land has been included in a gas unit that was formed prior to the expiration of the primary term of this lease, or (b) a gas well on land other than said Land and which other land and all or a portion of said Land has been included in an oil unit that was formed prior to the expiration of the primary term of this lease, this lease shall remain in force so long as operations on said well or operations on any additional well on said Land or acreage pooled therewith are prosecuted with no cessation of more that ninety (90) consecutive days and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said Land or acreage pooled therewith. For all purposes herein, if an oil well on an oil unit, which includes all or a portion of the leased premises, is reclassified as an oil well, the effective date of such reclassification shall be considered as the date of cessation of production from said well. If during the term of this lease, a well or wells should be drilled and completed as a producer of oil or gas in paying quantities and such well or wells are located on adjacent land and within 330 feet of and draining said Land, Lessee agrees, at its option to either (a) drill such offset well or wells, as an ordinary prudent operator would do under similar circumstances, or (b) release the affected acreage or stratum in accordance with the provisions of paragraph 6 herein; and, in this connection, it shall be considered that no drainage exists. However, there shall be no express or implied duty of Lessee, with respect to the above options, unless such offset well or wells drilled by Lessee would be sufficiently productive to pay Lessee a profit over and above drilling, completing and operation expenses
- 8. Lessee shall have the right, at any time during or after the expiration of this lease, to remove all property and fixtures placed by Lessee on said Land, including the right to draw and remove all casing. Upon Lessor's request and when reasonably necessary for utilization of the surface for some intended use by the Lessor, Lessee will bury all pipelines below ordinary plow depth. No well shall be drilled within two hundred (200) feet of any residence or barn now on said Land without Lessor's consent.

 9. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in such
- ownership of said Land or royalties, however accomplished, shall operate to enlarge the obligation or diminish the right of Lessee, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished, by registered U. S. mail at Lessee's principal place of business, with a certified copy of recorded instrument or instruments evidencing same or evidence satisfactory to Lessee. If any such change in ownership occurs by reason of the death of the owner, Lessee may nevertheless, pay or tender royalties, or part thereof, to the credit of the decedent in a depository bank provided for above. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument, executed by all such parties, designating an agent to receive payment for all.

 10. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease, nor cause a termination or reversion of the estate created hereby, nor
- be grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have ninety (90) days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of ninety (90) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. After the discovery of oil, gas or other minerals in paying quantities on said premises, Lessee shall reasonably develop the acreage retained hereunder; but, in discharging this obligation, it shall in no event be required to drill more than one well per eighty (80) acres, plus an acreage tolerance not to exceed 10% of 80 acres, of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres, plus an
- acreage tolerance not to exceed 10% of 640 acres, of the area retained hereunder and capable of producing gas or other minerals in paying quantities.

 11. Lessor hereby warrants and agrees to defend the title to said Land and agrees that Lessee may, at its option, discharge any tax, mortgage or other lien upon said Land, either in whole or in part; and, in the event Lessee does so, it shall be subrogated to such lien with the right to enforce same and apply royalties accruing hereunder toward satisfying same. When required by state, federal or other laws, Lessee may withhold taxes with respect to royalty and other payments hereunder and remit the amounts withheld to the applicable taxing authority for credit to Lessor. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if Lessor owns an interest in the oil, gas or other minerals on, in or under said Land less than the entire fee simple estate, then the shut-in royalties and royalties to be paid Lessor shall be reduced proportionately.
- 12. (a) Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting operations thereon, or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or State law, or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended and Lessee shall not be liable for damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting operations on or from producing oil or gas from said Land; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.
- (b) The specification of causes of force majeure herein enumerated shall not exclude other causes from consideration in determining whether Lessee has used reasonable diligence wherever required in fulfilling any obligations or conditions of this lease, express or implied, and any delay of not more than six (6) months after termination of force majeure shall be deemed
- (c) All terms and conditions of this lease, whether express or implied, shall be subject to all Federal and State Laws, Executive Orders, Rules, or Regulations; and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order,
- 13. This lease states the entire contract between the parties, and no representation or promise, verbal or written, on behalf of either party shall be binding unless contained herein; and

		e same and their successors, heirs, and sexecuted on the date first above writt		or not executed by all persons above named as "Lessor"	
Robert Perez	1	LESSOR	Elizabeth Perez		LESSOR
		LESSOR			LESSOR
STATE OF	TEXAS	§			
COUNTY OF	TARRANT	§			
This instrument was acknowledged before me on 2/9/2009		by Rob	ert Perez and wife, Elizabeth Perez		
	COLDI CRAWEC	anatas	Notary Signature: Printed Name:	Colin Crawford	·
COLIN CRAWFORD NOTARY PUBLIC State of Texas Comm. Exp. 07-06-2010		Notary Public, State of My Commission Expires:	TEXAS		

EXHIBIT "A"

Attached to and made a part of that certain Oil, Gas and Mineral Lease dated the 22nd day of January, 2009 by Robert Perez and wife, Elizabeth Perez, as Lessor and Devon Energy Production Company, L.P., as Lessee.

- 1. Royalty: Notwithstanding anything contained in this lease to the contrary, wherever the fraction "one-eighth" (1/8th) appears in the printed portion of this lease the same is hereby amended to read "twenty-five percent" (25%).
- 2. <u>Term</u>: Notwithstanding anything contained in the Lease to the contrary, in Paragraph 2, the primary term is hereby amended to read "Two (2) years" and the words "Five (5) years" shall hereby be deleted.
- 3. Costs. It is agreed between the Lessor and Lessee that, notwithstanding any language herein to the contrary, all oil, gas or other proceeds accruing to the Lessor under this Lease or by state law shall be without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, or marketing the oil, gas and other products produced hereunder to transform the product into marketable form; however, in the event Lessee determines in good faith that it can obtain a higher price at a market located outside of the local market, and Lessee incurs transportation costs charged by an unaffiliated interstate or intrastate gas pipeline in order to enhance the value of the oil, gas or other products, Lessor's pro rata share of such costs may be deducted from Lessor's share of production so long as they are based on Lessee's actual cost of such enhancements. However, in no event shall Lessor receive a price that is less than the price received by Lessee.
- Assignment. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. In the event of an assignment of any portion of Lessee's interest hereunder, with the exception of assignments being made to officers, directors, and/or subsidiaries of Lessee, Lessee shall deliver to Lessor a copy of the recorded document regarding the interest so assigned. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this Lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this Lease then held by each.
- 5. <u>Waiver of Surface Use; Water; Seismic Operations.</u> Notwithstanding anything to the contrary in this Lease, Lessee shall not enter upon the surface of, cross over, place any structure or building upon or conduct any operations (except for geophysical/seismic operations as stated below) on the leased premises. Lessee shall only develop the leased premises by pooling, as provided herein, or by directional or horizontal drilling commenced from a surface location on other lands. Lessee shall make all reasonable efforts not to use residential or neighborhood streets or thoroughfares in developing the leased premises, and lands pooled therewith, or otherwise.

Lessee shall not have or acquire any rights in and to the water from the leased premises. No surface water or underground fresh water from the leased premises will be used for any reason,

including water flood or pressure maintenance purposes. Lessee shall comply with all applicable rules in disposition of salt water, brine, or other fluids utilized in or resulting from operations, and shall not cause or permit any such substances to damage or pollute the surface of the leased premises or any fresh water sands lying thereunder. The leased premises shall not be used for salt water disposal.

As provided above, Lessee shall have the right to conduct geophysical/seismic operations, but only by utilizing the vibroseis method, and Lessee shall pay for all actual damages incurred to the leased premises, which directly result from geophysical seismic operations.

Nothing in this Lease shall be interpreted as a waiver by Lessor of any setback or other requirements under the drilling or other applicable ordinances of the Cities of Burleson and/or Ft. Worth or the counties of Johnson and/or Tarrant.

- 6. <u>Noise.</u> Noise levels associated with Lessee's operations related to the drilling, completion and reworking of wells shall be kept to a reasonable minimum, taking into consideration reasonable available equipment and technology in the oil and gas industry, the level and nature of development and surface use elsewhere in the vicinity of Lessee's drill sites and the fact Lessee's operations are being conducted in or near an urban residential area. If Lessee utilizes any non-electric-powered equipment in its operations, including but not limited to compression equipment, Lessee shall take reasonable steps to muffle the sound therefrom by installing a noise suppression muffler or like equipment.
- Regulatory Requirements and Force Majeure. Lessee's obligations under this Lease, whether express or implied, shall be subject to all applicable laws, rules regulations and orders of the Cities of Burleson/Ft. Worth and any other governmental authority having jurisdiction including restrictions on the drilling, and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this Lease shall not terminate because of such prevention or delay, and at Lessee's option, the period o such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this Lease when drilling, production or other operations are so prevented, delayed or interrupted. Lessee shall take all reasonable actions to remove or end any cause of Force Majeure for a period of more than eighteen (18) months or three (3) years of cumulative time. No obligation of Lessee to pay money that has accrued and was due before the Force Majeure event occurred under this Lease will be excused or delayed by reason of such Force Majeure.
- 8. <u>Indemnity.</u> LESSEE SHALL INDEMNIFY AND HOLD HARMLESS LESSOR, AND LESSOR'S REPRESENTATIVES, SUCCESSORS, AND ASSIGNS FROM AND AGAINST ANY AND ALL LIABILITIES, CLAIMS, LOSSES AND DEMANDS FOR DAMAGE TO PROPERTY, PERSONAL INJURY OR DEATH, AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, EXPERT FEES AND COURT COSTS, ARISING DIRECTLY OR INDIRECTLY FROM ACTIONS, INACTIONS OR OCCUPANCY OF THE LEASE PREMISES OR LANDS POOLED THEREWITH OF AND BY LESSEE OR ITS ASSIGNS OR THE AGENTS, EMPLOYEES, CONTRACTORS OR INVITEES OF EITHER OF THEM.
- 9. <u>Notices; Right to Cure.</u> All notices required or contemplated by this Lease shall be provided in writing to the individual Lessees. All such notices shall be made by registered or certified mail, return receipt requested, unless another means of delivery is expressly stated. No litigation shall be initiated by Lessor with respect to any breach of default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this Lease shall not be forfeited or canceled in whole or part unless Lessee is given a reasonable time (not to exceed 90 days) after said judicial determination to remedy the breach or default and Lessee fails to do so.

10. Waiver of Claims and Neighborhood Association and Committee Members. Lessor acknowledges that the terms of this Lease, the amount of the royalty and bonus paid hereunder, and all other terms negotiated with Lessee (herein the "Negotiated Terms") with respect to this Lease, were obtained as a result of negotiations between Lessee and the Community consisting of a committee of unpaid volunteers hereafter known as Committee Members. In consideration of the efforts spent by Committee Members in negotiating and obtaining the Negotiated Terms on behalf of Lessor and other property owners, Lessor, on behalf of the Lessor and the Lessor's agents, spouses, co-owners, predecessors, parents, subsidiaries, affiliated corporations or other affiliated entities, successors, partners, principals, assigns, attorneys, servants, employees, heirs, consultants, and other representatives, does hereby release and forever discharge Committee Members, from any and all claims, demand, obligations, losses, causes of action, costs, expenses, attorney's fees, and liabilities of any nature whatsoever, whether based on contract, tort, statutory or other legal or equitable theory of recover, whether known or unknown, past present, or future, which Lessor has, has had, or claims to have against the Committee Members.

SIGNED FOR IDENTIFICATION: Y

Robert Perez

Elizabeth Perez



DEVON ENERGY PRODUCTION CO PO BOX 450

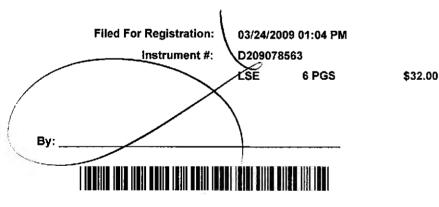
DECATUR

TX 76234

Submitter: DEVON ENERGY PRODUCTION CO

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



D209078563

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Printed by: D\$